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Attorney Docket No. P04481US01

Title: SYSTEMS AND METHODS FOR DESIGNING GROUP RETIREMENT PLANS
REPLACEMENT SHEET 1 of 14

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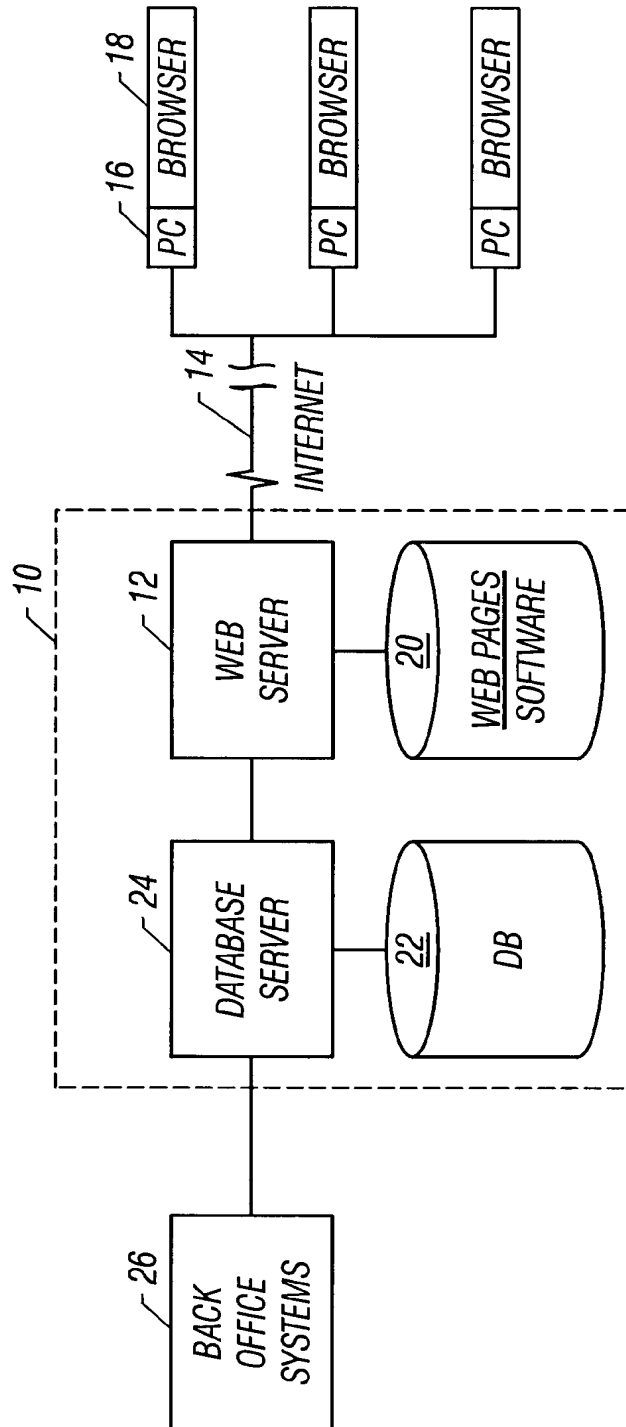


FIG. 1

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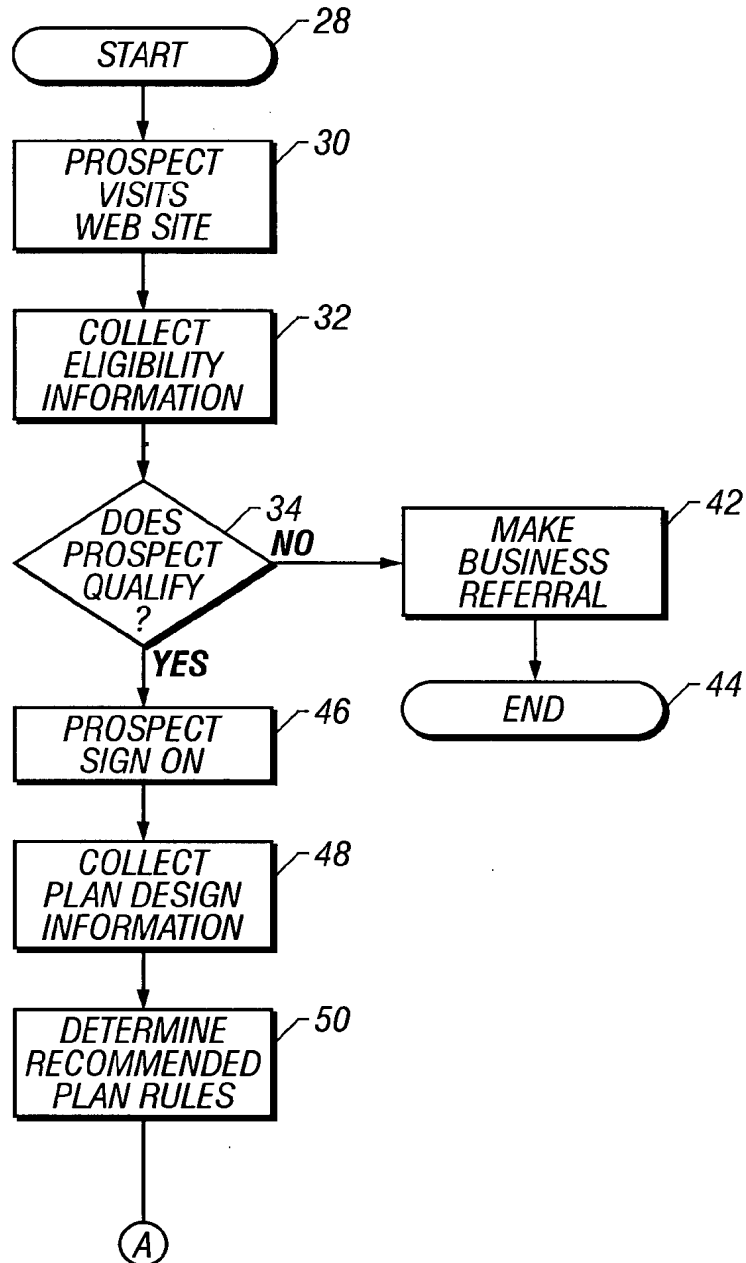
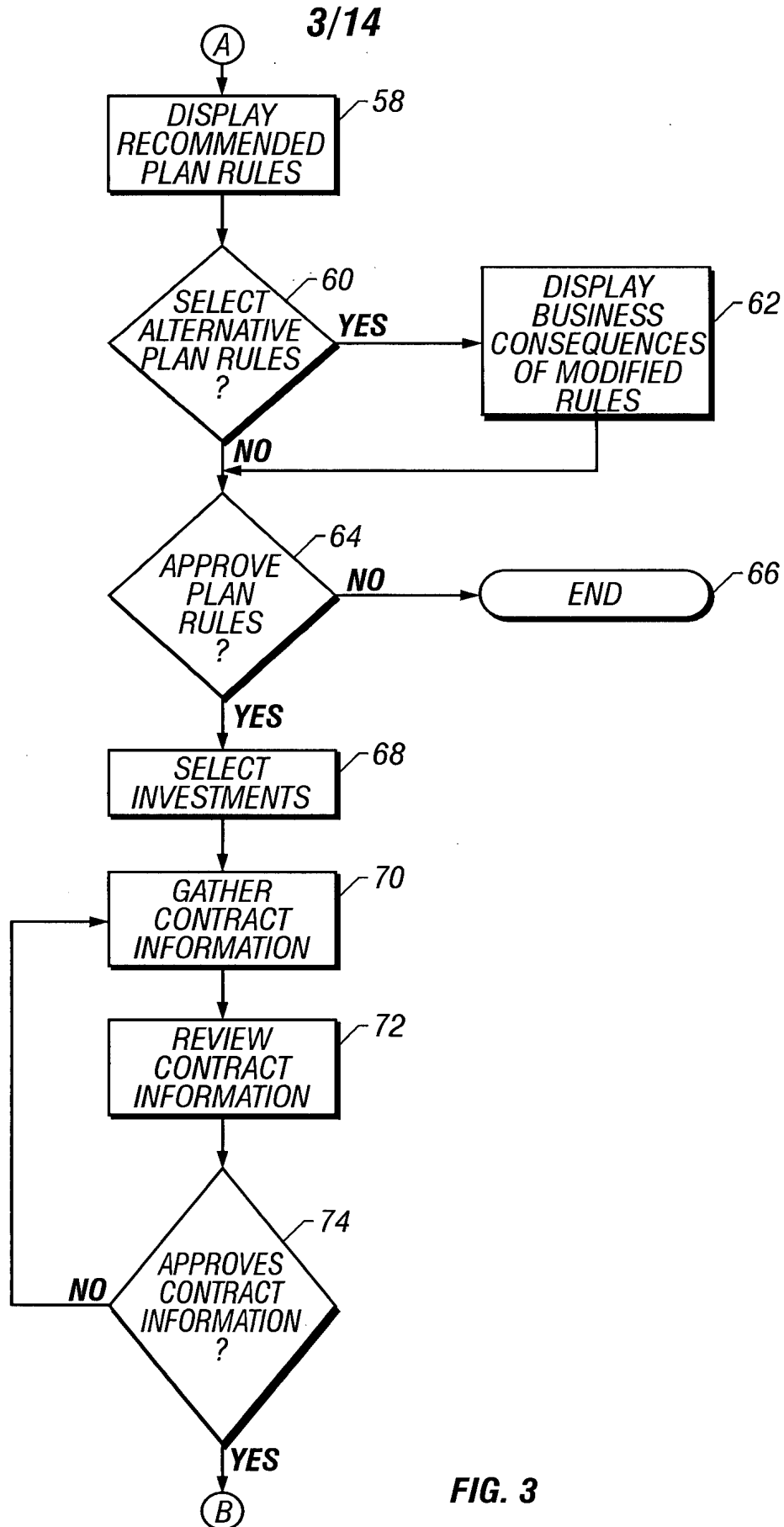


FIG. 2

**FIG. 3**

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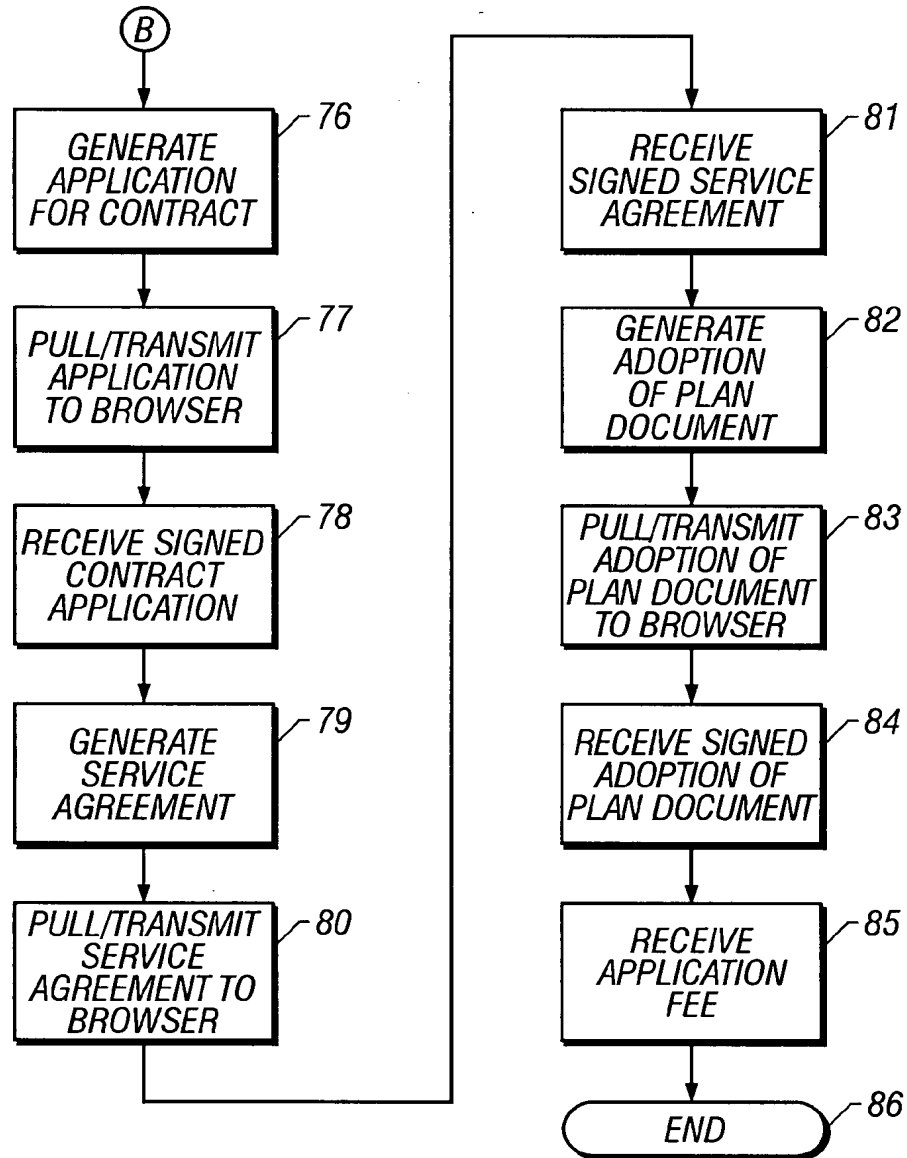


FIG. 4

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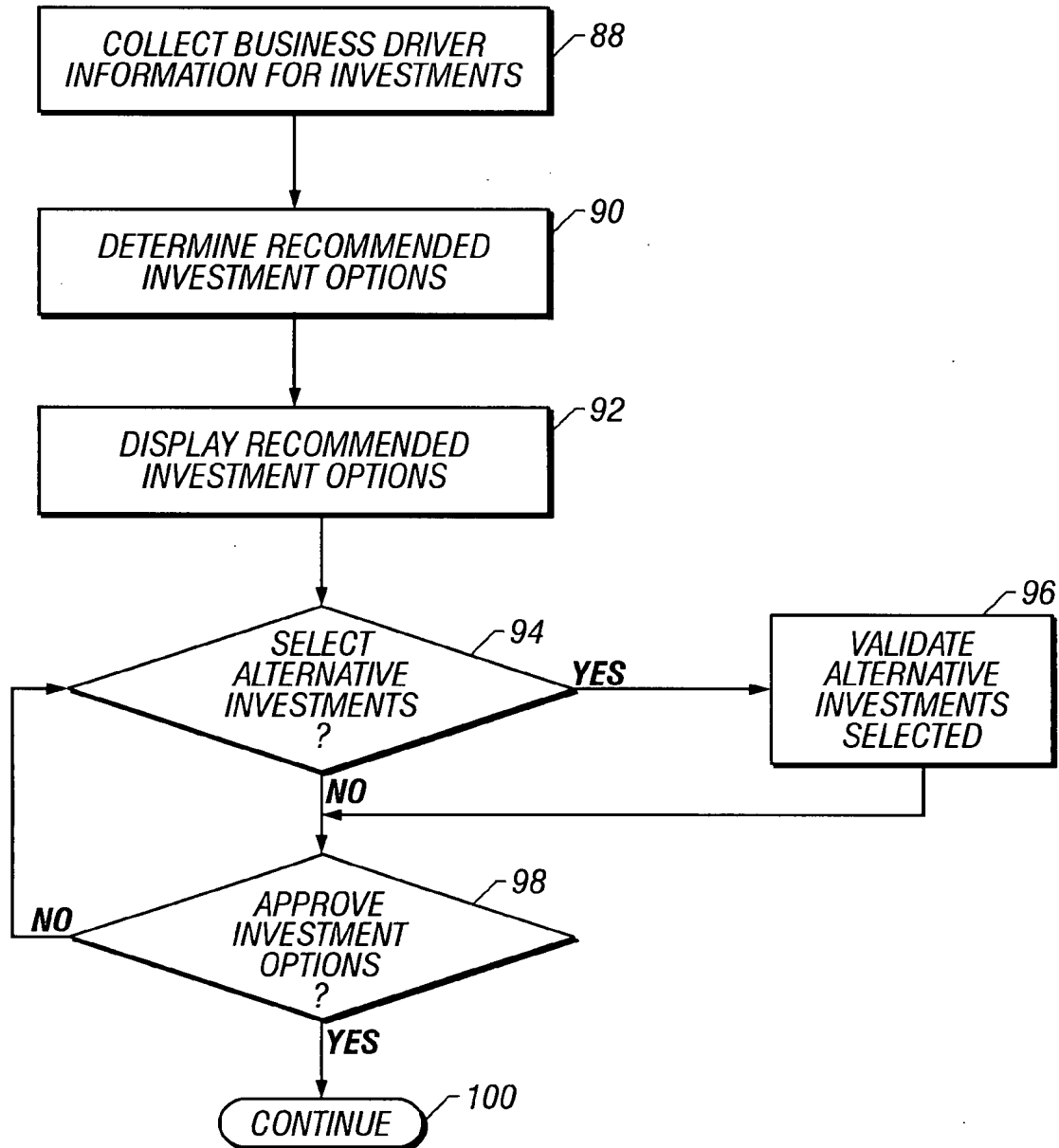


FIG. 5

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| <div>36</div> <div>UNDERWRITING CRITERIA</div> | <div>38</div> <div>POSSIBLE RESPONSES</div> | <div>40</div> <div>IMPACT</div> |
|---|--|--|
| 1. TYPE OF BUSINESS | SOLE PROPRIETORSHIP PARTNERSHIP LIMITED LIABILITY CORPORATION (TAXED AS PARTNERSHIP) LIMITED LIABILITY CORPORATION (TAXED AS CORPORATION) S-CORPORATION C-CORPORATION TAX-EXEMPT GOVERNMENTAL OTHER (FOR ASSOCIATIONS, TAFT-HARTLEY, ETC.) | <ul style="list-style-type: none"> TAX-EXEMPT EMPLOYERS SHOULD BE REFERRED ELSEWHERE IN COMPANY GOVERNMENTAL EMPLOYERS AND "OTHER" SHOULD BE REFERRED ELSEWHERE IN COMPANY CAN ACCOMMODATE ALL OTHER TYPES OF EMPLOYERS |
| 2. DO YOU CURRENTLY OFFER A RETIREMENT PLAN TO EMPLOYEES? | YES NO | <ul style="list-style-type: none"> IF YES, PROCEED TO 2A. IF NO, PROCEED TO 3. |
| 2A. WHAT TYPE OF PLAN DO YOU CURRENTLY SPONSOR? | 401(K) PLAN PROFIT SHARING PLAN MONEY PURCHASE PLAN DEFINED BENEFIT PLAN SEP/SAR SEP SIMPLE IRA | |

FIG. 6A

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| UNDERWRITING CRITERIA | POSSIBLE RESPONSES | IMPACT |
|--|--|--|
| 2B. DO YOU WANT TO CONTINUE THIS TYPE OF PLAN? | YES NO | <ul style="list-style-type: none"> • IF "YES" AND ANSWER TO 2A. IS 401(K), PROFIT SHARING, MONEY PURCHASE OR DEFINED BENEFIT, THEN REFER ELSEWHERE IN COMPANY. • IF "YES" AND ANSWER TO 2A. IS SEP/SAR SEP OR SIMPLE IRA, THEN REFER ELSEWHERE IN COMPANY • IF "NO", THEN GO TO NEXT QUESTION |
| 2C. WHAT TYPE OF RETIREMENT PLAN ARE YOU INTERESTED IN SETTING UP? | UNKNOWN 401(K) PROFIT SHARING PLAN MONEY PURCHASE PLAN DEFINED BENEFIT PLAN SEP SIMPLE IRA | <ul style="list-style-type: none"> • IF UNKNOWN, 401(K), PROFIT SHARING, MONEY PURCHASE OR DEFINED BENEFIT SELECTED, THEN REFER ELSEWHERE IN COMPANY • IF SEP OR SIMPLE IRA, THEN REFER ELSEWHERE IN COMPANY |
| 3. TOTAL NUMBER OF EMPLOYEES | MORE THAN 1000 | <ul style="list-style-type: none"> • IF YES, THEN REFER ELSEWHERE IN COMPANY • IF NO, CONTINUE |

FIG. 6B

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| UNDERWRITING CRITERIA | POSSIBLE RESPONSES | IMPACT |
|--|--------------------|--|
| 4. ARE YOU WILLING TO MAKE A CONTRI- BUTION TO A RETIREMENT PLAN ON BEHALF OF YOUR EMPLOYEES? | YES NO | <ul style="list-style-type: none">• IF YES, CONTINUE• IF NO, REFER ELSEWHERE IN COMPANY |
| 5. ARE YOU COMMITTED TO A SELF-SERVE RETIREMENT PLAN OFFERING ELECTRONIC REPORTING AND COMMUNICATION CAPABILITIES? | YES NO | <ul style="list-style-type: none">• IF YES, CONTINUE• IF NO, REFER ELSEWHERE IN COMPANY |

FIG. 6C

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| CHARACTERISTIC DRIVING NEED FOR RETIREMENT PLAN | EMPLOYER CONTRIBUTION PLAN PROVISIONS | EMPLOYEE ELIGIBILITY |
|--|--|-------------------------|
| ATTRACT NEW EMPLOYEES RETAIN EXISTING EMPLOYEES | <ul style="list-style-type: none"> • 50% UP TO 6% MATCHING CONTRIBUTION • SIX-YEAR GRADED VESTING SCHEDULE | IMMEDIATE ENTRY |
| ATTRACT NEW EMPLOYEES COMPENSATE HIGHER- PAID EMPLOYEES | <ul style="list-style-type: none"> • 50% UP TO 4% MATCHING CONTRIBUTION • 100% VESTING • INTEGRATED PROFIT SHARING CONTRIBUTION (MAXIMUM DISPARITY) | IMMEDIATE ENTRY |
| ATTRACT NEW EMPLOYEES REDUCE TAX-LIABILITY | <ul style="list-style-type: none"> • 50% UP TO 6% MATCHING CONTRIBUTION • 100% VESTING • PAY-TO-PAY PROFIT SHARING CONTRIBUTION | IMMEDIATE ENTRY |

FIG. 7A

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| CHARACTERISTIC DRIVING NEED FOR RETIREMENT PLAN | EMPLOYER CONTRIBUTION PLAN PROVISIONS | EMPLOYEE ELIGIBILITY |
|--|--|--|
| RETAIN EXISTING EMPLOYEES COMPENSATE HIGHER- PAID EMPLOYEES | <ul style="list-style-type: none"> • 25% UP TO 4% MATCHING CONTRIBUTION • SIX-YEAR GRADED VESTING SCHEDULE • INTEGRATED PROFIT SHARING CONTRIBUTION (MAXIMUM DISPARITY) | CHOOSE <ul style="list-style-type: none"> • IMMEDIATE ENTRY • ONE-YEAR WITH 1,000 HOURS AND AGE 21 |
| RETAIN EXISTING EMPLOYEES REDUCE TAX LIABILITY | <ul style="list-style-type: none"> • 50% UP TO 6% MATCHING CONTRIBUTION • SIX-YEAR GRADED VESTING SCHEDULE • PAY-TO-PAY PROFIT SHARING CONTRIBUTION | CHOOSE <ul style="list-style-type: none"> • IMMEDIATE ENTRY • ONE-YEAR WITH 1,000 HOURS AND AGE 21 |
| COMPENSATE HIGHER- PAID EMPLOYEES REDUCE TAX LIABILITY | <ul style="list-style-type: none"> • 50% UP TO 6% MATCHING CONTRIBUTION • 100% VESTING • INTEGRATED PROFIT SHARING CONTRIBUTION (MAXIMUM DISPARITY) | CHOOSE <ul style="list-style-type: none"> • IMMEDIATE ENTRY • ONE-YEAR WITH 1,000 HOURS AND AGE 21 |

FIG. 7B

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File Edit View Go Favorites Help

Address: <http://www.stampmaster.com/shop/books>

ADVERTISEMENT

HELP/FAQ ASK A QUESTION PRIVACY POLICY

HOME WHAT IS THIS SERVICE COMPARE PLANS BUILD A PLAN EMPLOYEE LOGIN EMPLOYER LOGIN

GET STARTED SIGNON 1. DESIGN PLAN 2. SELECT INVESTMENTS 3. BUILD & SIGN A CONTRACT

IS THIS SERVICE RIGHT FOR YOUR BUSINESS?
ANSWER THE FOLLOWING QUESTIONS TO FIND OUT!

1. IN WHICH STATE DOES THE PERSON DECIDING TO SET UP THIS SERVICE PLAN WORK?

2. WHAT TYPE OF BUSINESS DO YOU OPERATE?

- ☐ SOLE PROPRIETORSHIP
- ☐ PARTNERSHIP (INCLUDING LIMITED LIABILITY PARTNERSHIP)
- ☐ LIMITED LIABILITY CORPORATION (TAXED AS PARTNERSHIP)
- ☐ LIMITED LIABILITY CORPORATION (TAXED AS CORPORATION)
- ☐ S-CORPORATION
- ☐ C-CORPORATION
- ☐ TAX-EXEMPT BUT NOT A CHURCH ORGANIZATION
- ☐ GOVERNMENTAL OR TAX-EXEMPT CHURCH ORGANIZATION
- ☐ I DON'T OWN A BUSINESS

3. DO YOU CURRENTLY OFFER, OR HAVE YOU EVER OFFERED, A RETIREMENT PLAN FOR YOUR EMPLOYEES?
☐ YES ☐ NO
(IF NO SKIP TO QUESTION #6)

4. WHAT TYPE OF PLAN IS/WAS OFFERED?

- ☐ 401(K)
- ☐ PROFIT SHARING
- ☐ MONEY PURCHASE
- ☐ DEFINED BENEFIT
- ☐ SEP/SAR SEP
- ☐ SIMPLE IRA

5. DO YOU WANT TO CONTINUE WITH THIS TYPE OF PLAN?
☐ YES ☐ NO

6. WHAT TYPE OF PLAN DO YOU WANT TO SET UP?

- ☐ 401(K)
- ☐ PROFIT SHARING
- ☐ MONEY PURCHASE
- ☐ DEFINED BENEFIT
- ☐ SEP
- ☐ SIMPLE IRA

7. HOW MANY EMPLOYEES DO YOU HAVE?

8. IS YOUR BUSINESS COMMITTED TO A SELF-SERVE, TOTALLY ELECTRONIC RETIREMENT PLAN?
☐ YES ☐ NO

9. IS YOUR BUSINESS WILLING TO MAKE A MATCHING CONTRIBUTION?
☐ YES ☐ NO

10. ARE YOUR EMPLOYEES EXPECTED TO CONTRIBUTE TOWARDS THEIR RETIREMENT PLAN?
☐ YES ☐ NO

11. CONTACT INFORMATION

| | | | |
|----------------------|----------------------|----------------------|----------------------|
| TITLE | FIRST NAME | M. I. | LAST NAME |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| BUSINESS TITLE | COMPANY | | |
| <input type="text"/> | <input type="text"/> | | |
| STREET ADDRESS 1 | STREET ADDRESS 2 | | |
| <input type="text"/> | <input type="text"/> | | |
| CITY | STATE | ZIP CODE | |
| <input type="text"/> | <input type="text"/> | <input type="text"/> | |
| PHONE | EXTENSION | | |
| <input type="text"/> | <input type="text"/> | | |
| E-MAIL ADDRESS | EMPLOYER WEB ADDRESS | | |
| <input type="text"/> | <input type="text"/> | | |

IF YOU HAVE A SPECIAL ACCOUNT CODE, ENTER IT HERE:

CONTINUE CLEAR

Internet Zone • TAX-EXEMPT

FIG. 8

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The screenshot shows a web browser window with a menu bar (File, Edit, View, Go, Favorites, Help) and a toolbar with various icons. The address bar is empty. The main content area displays a sign-on page with the following elements:

- ADVERTISMENT** banner at the top left.
- Navigation links: [HELP/FAQ](#), [ASK A QUESTION](#), [PRIVACY POLICY](#).
- Primary navigation tabs: [HOME](#), [WHAT IS THIS SERVICE](#), [COMPARE PLANS](#), [BUILD A PLAN](#) (selected), [EMPLOYEE LOGIN](#), [EMPLOYER LOGIN](#).
- Secondary navigation tabs: [GET STARTED](#), [SIGN ON](#) (selected), [1. DESIGN PLAN](#), [2. SELECT INVESTMENTS](#), [3. BUILD & SIGN A CONTRACT](#).
- SIGN ON** section header.
- A text box with the prompt: **PLEASE SIGN IN.**
- Text: *WE WANT TO KEEP THE INFORMATION YOU GIVE US CONFIDENTIAL. WE ALSO DON'T WANT YOU TO HAVE TO RE-ENTER INFORMATION AGAIN IF YOU LEAVE OUR SITE DURING THE PROCESS OF BUILDING THIS SERVICE PLAN.*
- Text: *DON'T HAVE A PIN? [CLICK HERE.](#)*
- Text: *PLEASE GIVE US YOUR SOCIAL SECURITY NUMBER AND PIN.*
- Form fields: **ENTER SOCIAL SECURITY NUMBER:** [text box] and **PIN:** [text box].
- A **CONTINUE** button.
- Text for first-time users: ***FIRST TIME USERS: CLICK CONTINUE ABOVE AFTER QUALIFYING AND OBTAINING YOUR PIN NUMBER, TO SECURE YOUR QUALIFICATION DATA AND NEW PIN NUMBER. IF THIS STEP IS NOT COMPLETED, YOU WILL HAVE TO RE-QUALIFY FOR THE SERVICE BEFORE YOU CAN BEGIN TO DESIGN YOUR PLAN***
- Text for future users: ***IN THE FUTURE, WHEN YOU VISIT OUR SITE AGAIN, ALL THAT YOU WILL NEED TO DO IS OPEN THE SIGN-ON PAGE FROM THE BUILD A PLAN TAB.***

The browser's status bar at the bottom shows "Internet Zone" and "TAX-EXEMPT".

FIG. 9

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The screenshot shows a web browser window with a menu bar (File, Edit, View, Go, Favorites, Help) and a toolbar with navigation icons. The address bar is empty. The main content area features a navigation menu with links: HOME, WHAT IS THIS SERVICE, COMPARE PLANS, BUILD A PLAN (highlighted), EMPLOYEE LOGIN, and EMPLOYER LOGIN. Below this is a sub-menu with GET STARTED, SIGNON, 1. DESIGN PLAN (highlighted), 2. SELECT INVESTMENTS, and 3. BUILD & SIGN A CONTRACT. The main text reads: "THIS SECTION WILL HELP DESIGN A 401(K) PLAN THAT'S RIGHT FOR YOUR COMPANY AND YOUR EMPLOYEES. THE ANSWERS YOU PROVIDE WILL HELP SET THE BASIS FOR YOUR PLAN." Below this is a section titled "DESIGN YOUR PLAN" containing three questions:

1. WHY DO YOU WANT TO SET UP A RETIREMENT PLAN? (PLEASE SELECT TWO.)

- ☐ TO ATTRACT NEW EMPLOYEES
- ☐ TO RETAIN EXISTING EMPLOYEES
- ☐ TO COMPENSATE HIGHER PAID EMPLOYEES
- ☐ TO REDUCE OUR TAX LIABILITY

2. WHO SHOULD BENEFIT MOST FROM YOUR RETIREMENT PLAN?

- ☐ ALL EMPLOYEES
- ☐ ONLY THOSE EMPLOYEES WHO HAVE COMPLETED SOME SERVICE WITH MY COMPANY

3. DO YOU WANT YOUR EMPLOYEES TO BE ABLE TO BORROW FROM THEIR RETIREMENT FUNDS

☐ YES ☐ NO

At the bottom of the form are buttons for CONTINUE, CLEAR, and LOGOFF. The browser's status bar at the bottom shows "Internet Zone" and "TAX-EXEMPT".

FIG. 10

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ADVERTISMENT [HELP/FAQ](#) [ASK A QUESTION](#) [PRIVACY POLICY](#)

[HOME](#) [WHAT IS THIS SERVICE](#) [COMPARE PLANS](#) [BUILD A PLAN](#) [EMPLOYEE LOGIN](#) [EMPLOYER LOGIN](#)

[GET STARTED](#) [SIGNON](#) [1. DESIGN PLAN](#) [2. SELECT INVESTMENTS](#) [3. BUILD & SIGN A CONTRACT](#)

DESIGN REVIEW

BASED ON YOUR ANSWERS, HERE ARE THE BASIC RULES WE SUGGEST FOR YOUR PLAN. YOU CAN MAKE REVISIONS BY SCROLLING EACH DROPPDOWN BOX.

ELIGIBILITY

YOUR EMPLOYEES CAN JOIN THE PLAN AFTER TURNING 21 AND ON:

[A MONTHLY DATE FOLLOWING 1 YEAR OF SERVICE](#) ▼

CONTRIBUTIONS

YOUR EMPLOYEES CAN CONTRIBUTE UP TO \$10,500 PER CALENDER YEAR SUBJECT TO IRS PERCENTAGE OF PAY LIMITS.

YOU'LL MATCH:

[50% UP TO 4% OF PAY THE EMPLOYEE CONTRIBUTES](#) ▼

YOU'LL PROVIDE:

[A PAY TO PAY PROFIT SHARING CONTRIBUTION](#) ▼

VESTING

YOUR EMPLOYEES ALWAYS "OWN" THEIR CONTRIBUTIONS TO THE PLAN

YOUR EMPLOYEES OWN YOUR COMPANY CONTRIBUTIONS:

[ON A 6-YEAR GRADED SCHEDULE VESTING SCHEDULE](#) ▼

LOANS

LOANS WILL:

[NOT BE OFFERED UNDER YOUR PLAN](#) ▼

IF YOU CHOOSE TO OFFER LOANS TO YOUR MEMBERS, THE LOAN PROVISIONS WILL BE:

- ONE OUTSTANDING LOAN PER MEMBER
- ONE LOAN APPROVED PER YEAR
- \$1,000.00 LOAN MINIMUM
- LOAN INTEREST RATE OF PRIME RATE PLUS 2%

TAX-DEDUCTIBLE PLAN COSTS

NON-REFUNDABLE SET-UP FEE: \$

ANNUAL CONTRACT AND ADMINISTRATION CHARGES: \$ + \$(PER MEMBER FEE) X = \$

[CONTINUE](#) [LOGOFF](#)

Internet Zone • TAX-EXEMPT

FIG. 11